

this totally unacceptable action. So now we have to see what happens. He ought to be given access. He's going back there; he's got the support of the U.N. We're going to watch this a day at a time and see what happens.

Thank you.

NOTE: The President spoke at 12:20 p.m. on the South Lawn at the White House.

Remarks to the Wall Street Project Conference in New York City

January 15, 1998

Thank you very, very much, Reverend Jackson. Thank you, ladies and gentlemen. Thank you, Mr. Grasso and Mr. Jones, and all the other sponsors of this event for this historic day. I thank Secretary Herman for her leadership and for coming up here with me today, along with our SBA Administrator, Aida Alvarez. I don't know if Ambassador Richardson is in the audience, but I'll take a chance, because if he's here and I don't mention him, I'll live with it from now on—[laughter]—and because he cares deeply about these issues. I also see Reverend Suzan Cook, a member of our race advisory board, here. I have many other friends here, business people, the mayors, and others. I thank the Members of the New York congressional delegation for coming, Congressman Rangel, Maloney, Owens, Manton, and Representative-elect Meeks. And I thank Lieutenant Governor Ross and Comptroller McCall and Speaker Silver, and any other State officials who might be here, and Mr. Green and Mr. Vallone and any other city officials who are here.

Let me say that I've looked forward to this, but it occurs to me, on Martin Luther King's birthday, that the real danger we have here is that Reverend Jackson and I and all the others might be here preaching to the saved, that we all agree with what we're here to talk about. But there is still some merit in our being here in the hope that we can reach beyond those in this room in this very high place to those who are at work down below us today here in New York and throughout the country. Maybe we should have just let Santita sing to them. That would have per-

sueded them better than anything I could say.

It is true, Mr. Avant, that I told Jesse that I knew this was a historic day, because you've been to the White House a half-dozen times and never worn a tie. [Laughter] So I know that we are onto something big here. [Laughter]

Let me tell you—this is not part of my remarks, but I want to emphasize on Martin Luther King's birthday, since we're here talking about expanding opportunities of American enterprise to all our citizens, what I did this morning before I came up here. This day is always one of my very favorite days as President. This was the day this year that I awarded the Presidential Medals of Freedom. And let me give you some—I may not have every name down here, but I think this is interesting. If you just listen to the names, it will tell you something about your country.

Arnie Aronson, an 86-year-old Jewish American who founded—cofounded the Leadership Conference on Civil Rights, worked all the way back with A. Philip Randolph in the forties on civil rights; James Farmer, 87 years old; Fred Korematsu, the Japanese-American who refused to go quietly into the internment camp in World War II and fought for years to have his conviction overturned—[inaudible]—Mario Obledo, former LULAC leader and one of the founders of the Mexican American Legal Defense Fund; Justin Dart, the man who probably is more responsible for the Americans with Disabilities Act than any other single American citizen; Mardy Murie, a 93-year-old conservationist who lives at the foot of the Grand Tetons in Wyoming, who has done so much to save the West; the distinguished American psychiatrist Robert Coles, who probably has had more influence through his academic writings to promote equal opportunity for all children and the whole cause of citizen service than any other academic in America; Frances Hesselbein, who saved the Girl Scouts when they were on the brink of extinction by diversifying the Girl Scouts and unifying them; Al Shanker of New York—[applause]—posthumously.

My wife said these were just ordinary American citizens, and I said, yes, ordinary American citizens like Brooke Astor and

David Rockefeller—I gave them the Medal of Freedom today. [Laughter] And I did it for a very important point that brings us to Wall Street: They had other options. They didn't really have to go out and do good with their lives, but they did it anyway. Wilma Mankiller, the first woman to be chief of the Cherokee Nation; Elliot Richardson, who holds more—who's held more Cabinet positions than any other American citizen, a distinguished Republican who had a lot to do with saving our Constitution. And there were others, Admiral Zumwalt and a couple of others.

But I just give these names to give you a feel for what America is really all about. All these incredibly different people from different walks of life who made our country what it is. And it's a better country. And when it was over today and everybody was filing out of the East Room at the White House, they were all thinking, "Gosh, these people are all so different, but they shared something special in their citizenship, in their service, in their devotion to the ideals of this country. And because they all played their roles, we are a much greater, bigger, better country." That's really what we're here to talk about today.

From the beginning, this country was set on a mission by the Founders—and I quote—"to form a more perfect Union." It was a brilliant formulation of a national mission, because it recognized that our work would never be done and that there is no such thing as perfection, so that we would always have something new to do. And they wrote this Constitution for us that's full of good basic values, recognizing that it would always have to be applied to changing circumstances; and that if we kept the values and kept the mission in mind, that we were always supposed to be forming a more perfect Union, we might have a chance to do better than any other people had in human history. Over 220 years later, we're still here, the longest lasting big democracy in the history of humanity.

A generation ago one man's words, wisdom, and work had a lot to do with leading us toward a more perfect Union. Toward the end of his life, Martin Luther King embarked upon securing what he called the next fron-

tier of freedom, economic freedom. He reminded us that when we limit economic opportunities for some Americans, we limit the possibilities of all Americans.

We are here today because Wall Street has a critical role to play in fulfilling Dr. King's dream of opportunity for all Americans. Whether ensuring that companies on the Big Board draw on the talent and diversity of all of our people, or investing in communities long bypassed by capital but full of potential, businesses can and must help us to build the one America we all need for the 21st century. That's what I want to talk about today.

I have been working hard for 5 years so that 3 years from now, when I'm gone and a new century is here, we will have an America where the American dream really is alive for everybody who is willing to work for it, where America is still the world's strongest force for peace and freedom and prosperity, where our people have been brought together, across all the lines that divide us, into one America. If we are going to do that, we must bring more Americans into the winner's circle. We must bring more Americans into the winner's circle.

We know that this time is characterized by globalization and a revolution in science, technology, and information. We know that these things have changed profoundly the way we live and work, the way we relate to each other, the way we relate to the rest of the world. We know that, for good or ill, the scope and pace of change are greater than ever before. We know that, for good or ill, we are more interdependent than ever before.

Martin Luther King said once that we are all caught in an inescapable web of mutuality, and he was preaching to the American people and reminding us that we had to reach across racial lines. Today, like it or not, around the world we are caught in an inescapable web of mutuality. We see it every day on Wall Street, for good or ill.

We now have all kinds of new challenges because of globalization in the information and technology and science revolutions. These are just a few of them. How do we get the benefits of new markets and technologies to people and places that aren't part

of our economic growth? How do we maximize the impact of markets and still preserve the social contract? How do we give everybody who is willing to work a chance to get a job, to get an education, to have access to health care, and own a home and save for retirement? How do we grow the economy and preserve the environment at a time when climate change looms as a big problem, but there are many other environmental problems as well? How do we at home balance the demands of work and family when more and more people are in the work force but raising children is still our most important job? How do we take advantage of all the diversity and opportunities for self-expression that are now out there in the world, and the pulling back of the cold war, to promote community instead of chaos? Is the future of the world an American school district with kids from 180 different racial and ethnic groups, or is it the darkest days of Bosnia, Rwanda, Northern Ireland, the Middle East, and you name it? Is the future of the world the end of the nuclear threat and security for our children, or is it the rise of terrorists and organized criminals and narcotraffickers carrying around small chemical and biological weapons? Will we build community or chaos? These are some of the big questions we face.

And here at home, if everything is changing, what happens to your Government? What's our role? I have tried to fashion a new approach—not an old style top-down bureaucracy that says we can handle all this, because, you know, in the global economy that's not true. But I have never been much in sympathy with the newly resurgent belief that Government is the source of all of our problems.

My view is that we need a Government that is committed to giving people the conditions and tools they need to meet their own challenges, to act as a partner and to act as a catalyst, consistent with what I think ought to be the guiding philosophy of every American—a simple one—opportunity for all, responsibility from all, a community of all our citizens.

The truth is our Federal Government today is smaller and less bureaucratic than it used to be, but it's also a lot more active

than it has been in the recent past. Beginning in 1993 we moved to establish the conditions for a growing economy with a plan rooted in the realities of the global economy and respecting the role of the financial markets.

First, we restored fiscal discipline. When I took office in January of 1993, we were told that the deficit for this year was going to be \$357 billion. Instead, it is close to zero, and next year—next month I will send to Congress the first balanced budget for the coming year that we've had in a generation. This is something that ought to unite Americans, progressives and conservatives alike. Conservatives ought to like it because it's not profligate. Progressives ought to like it because it means we don't have to keep spending tax money paying interest on the debt; we can do more to invest in our people and our future. And most important, we all ought to like it because in the world in which we live, countries with irresponsible economic policies are punished in the global marketplace. They don't generate jobs; they don't lower unemployment; and, therefore, they don't have the tax revenues they need to solve their common problems.

The second thing we've tried to do is to argue to the American people that America must lead in the global economy. A third of our economic growth has come from expanded exports, and that relates to the point we're making here today. We have to open markets, increase exports to make this new economy work for our people.

One of the things—sometimes I get a little credit for being able to communicate, but one of the things that I have not been able to communicate very well to a lot of people is that we cannot grow at home unless we help others to grow abroad; that with 4 percent of the population and 20 percent of the income, we can't keep growing unless we can expand the frontiers of our activity. And, therefore, we ought to want our neighbors to do well by trading more with us, because they help us to do well as they buy more of our products.

An increasingly interconnected world financial system has helped to create this kind of strong economic system, the rising markets to which we have to export. But the international capital market is also a stern

taskmaster, as we have seen in the last several weeks. When investor confidence flees, countries first have to put their own houses in order through serious and sustained economic reforms, just as we had to in 1993 so that we were serious about getting our economic house in order to get interest rates down, investment up, and to create jobs.

When severe instability sets in and threatens to spread, there is a vital role also, I believe, for international support to restore confidence, to provide breathing room. When countries are willing to help themselves, I think the United States ought to be a good neighbor and do its part to support that kind of endeavor.

Now, why should struggling Americans, Americans that are out here in New York City working hard to make ends meet, want their Government to support efforts to restore growth in distant lands? I'll say again, because we have 4 percent of the population and 20 percent of the income, we've got to have those folks as customers if we're going to keep growing our income and if we ever hope to extend opportunity to people in places within our borders that have not yet participated in the economic recovery. In other words, there is this web of mutuality, and it actually pays dividends to be a good neighbor. That's why we've taken a leadership role in addressing the current turbulence in Asia and in strengthening the institutions of the international financial system.

But the third point I want to make, and the third part of our economic strategy, is that we have done as much as we could, but we have to do more to invest in our own people to give them the tools they need to succeed and to widen the circle of opportunity. We've put in place the most significant investments in education in a generation: 200,000 more children in Head Start; tens of thousands of volunteers in our schools teaching our elementary kids to read well, so that they don't go through school not being able to learn; hooking up classrooms and libraries to the Internet; lifting academic standards; opening the doors of college to everybody who will work for it, with the HOPE scholarship and other initiatives. We've extended health care to 5 million more kids, helped young people to buy their first

homes, done more to enable small business people and employees to save for their own pensions.

All that is working. That's why we've got over 13 million new jobs, the lowest unemployment rate in 24 years. For the first time in the history of this country, over 64 percent of the adults are working. For the first time in the history of this country, over two-thirds of the American people are in their own homes.

But it is not enough. You and I know there are still people and places in this city and in this country that have simply not been touched by all this whirlwind of economic activity. And it is holding America back.

Every time the Federal Reserve Board meets, there is all this breathless anticipation: Will they have to raise interest rates, because the unemployment rate is the lowest in 24 years? How can we put off inflation and continue to grow? Well, the answer is twofold. One is, technology and open markets are good depressants against the traditional forces of inflation. But the other is, if you're moving into an area that hasn't enjoyed growth, you can have growth without inflation because you're writing on a clean slate. And if it's good argument for America to sell more and invest more around the world, it's good argument for America to sell more and invest more down the street.

If it is true—a number of Members of the New York delegation have been very good in trying to help me pass the Caribbean Basin Initiative, because we want to be good neighbors. There are a lot of people from the Caribbean here in New York City. And one of the unintended consequences of our trade agreement with Canada and Mexico is that Mexico seemed to get a comparative benefit over the Caribbean countries, which we never intended to happen.

I keep telling people—they say, "Oh, we can't afford to do this in the Caribbean." We're going to invest in the Caribbean one way or the other. We'll either pass the Caribbean Basin Initiative and we'll help to trade with them and help to grow their economy, or we'll invest in them indirectly. Americans will buy drugs from the South American narcotraffickers, and then the narcotraffickers will take our money and they will put

it in the Caribbean so they will have a place to stop on their way to America. [Laughter] We will do this one way or the other. I don't know about you, but I prefer the direct way. I think the old-fashioned way is better. [Laughter]

You know, I talked to a guy the other day from Central America—we were talking about one of the countries down there, and he said, “It's unbelievable, the narcotrafficker is down there building schools in nation X”—I don't want to embarrass them. I said, “They're not building those schools, we are.” [Laughter] America consumes almost half the world's drugs. We give those guys the money; they make the investment; they get the credit. No politician would ever do that. [Laughter] Elect your opponent by giving him the money, and let him give it to the electorate? I mean, we're laughing—this is serious business. If every one of those arguments you can think of works beyond our borders, it works within our borders. If it works down the road, across the water, it works down the street.

The unemployment rate in New York City is about 4 percent higher than the national average. The unemployment rate in the Nation's Capital is about 3 percent higher than the national average. And there are vast opportunities out there.

We just had a study published last week which said there are 365,000 jobs in computer-related areas that are going begging in America today and that it is a threat to our future economic growth. So you want to keep growing the economy and make this the longest peacetime expansion in history by a good long ways, keep reaching out to the rest of the world and do more to invest in America. Do more to trade with America. Do more to train America.

As far as I can tell, there are no other easy alternatives. And this is not only economic good sense, it's morally right. And that's why we're all here. That's the message we have to get out.

What's our role in that? What should the Government do specifically to close the opportunity gap? Well, first of all, I think it requires us to have, again I say, the right philosophy of Government. My view is that the principal role of Government is to provide

the conditions and the tools to empower people to solve their own problems, and then to work as a partner with State and local governments, the private sector, and community groups, and a catalyst to take ideas that work someplace and make sure they work every place. That's what I think we ought to be doing.

There is not enough Government money in America to put everybody to work in New York City, much less in every city and every rural area that has been left behind. We have to create the conditions, the environment that will enable us to be good partners. And that's what we have tried to do. Pretty soon we'll have 125 empowerment zones and enterprise communities around America that basically say, if local communities—government, business, and community leaders—will pull together with a plan for revitalization, we will provide flexible funding and tax cuts to help make the plan work.

Has it worked everywhere? No. Has it worked some places? You bet it has. There are neighborhoods all over this country now that are much stronger because of those empowerment zones. In Detroit alone, the empowerment zone along with the stunning commitment of the automobile industry and the leadership of the mayor have helped to cut the unemployment rate in half in a city which some people thought once could not be saved.

We have created a network of what we call community development financial institutions—the CDFI's, in the jargon of the folks that deal with them. These are small community banks that can make loans in places and to people that ordinary commercial banks normally won't touch. So far, these banks have an extremely high repayment rate. And I might say, this is one case where we took something we were doing around the world and said, if it's good enough for American aid programs to finance these things around the world, why shouldn't we be doing this at home?

We've worked to dramatically strengthen the Community Reinvestment Act. The Community Reinvestment Act was passed in 1977, over 20 years ago. Eighty-five percent of the financial commitments made under the Community Reinvestment Act have been

made in the last 5 years of our administration. I'm very proud of that. That's \$270 billion for our hardest pressed communities.

We're helping cities to clean up and redevelop their brownfields, environmentally contaminated, otherwise attractive business sites. We've more than doubled the number of Small Business Administration loans to minority and women-owned businesses. We've tried to reinvent the Housing and Urban Development Department so that it stands for empowerment and opportunity. We're finding innovative ways to build more affordable housing. When families move into homes they call their own, they can transform communities.

I had a wonderful time in the Bronx the other day. Some of you remember the pictures that were in the newspaper. I went to that place that President Reagan said looked like London during the Blitz. And it looks like a neighborhood we'd all be proud to live in today. The local people did that. They had empowerment support from others, partnerships—that's what we need everywhere in America.

But we have to do more, and so do you. In 1999 these are some of the things—but not all, I've got to save a little bit for the State of the Union—[laughter]—some of the things that we intend to do. The balanced budget in 1999 will contain the most significant new community development and economic empowerment initiatives in years. It will expand the number of empowerment zones. It will increase funding for the community development financial institutions by 50 percent. It will expand eligibility for the low-income housing credit to create between 150,000 and 180,000 new rental units. It will help families with good histories of paying their rent to move into homes of their own.

I've asked Secretary Cuomo to do more with the private sector to also increase access to capital, create jobs, and fuel entrepreneurs, and I'll have more to say about that in the days ahead. But New York can be proud of him. He's doing a good job.

I also want to say that Secretary Herman and Secretary Daley and I have worked on a special project, which I hope will work, and I hope some of you will help us make work. When I read that we had 365,000 computer-

related jobs going begging in America, that some people said this is threatening our growth, when I read another article in our local paper back in Washington—New York is probably the only city I can come to and say Washington has a local paper—[laughter]—but anyway I read an article which said that there was a dramatic employment shortage—not unemployment problem, employment shortage—in all the suburban counties surrounding Washington and that we had something like 25,000 computer-related jobs going begging in the Washington, DC, area. And I look at an 8 percent unemployment rate in our city; in some neighborhoods it's much higher. I asked Secretary Herman and Secretary Daley to come up with a program—we've never done this before—they've set aside millions of dollars to train people only to do these kinds of jobs and to try to focus them in the areas where they can be hired.

So I would like to ask you to look around New York. How many jobs are going begging here today? Can people be trained for them? Even if people in the inner cities don't have enough education to do them, are there people in lower level jobs now who could be trained for those, opening up those jobs for the people in the inner city? Shouldn't there be a plan to do that here? And shouldn't there be a plan everywhere? And if so, call Secretary Herman, and we'll participate.

A lot of you have done a lot, or you wouldn't be here today. But we have got to do more. We have got to do more. One study estimates that inner-city residents control \$85 billion in purchasing power. That's more than the entire retail market in Mexico. Thirty percent of their demand for retail goods goes unmet. Shall I say that again? Thirty percent of their demand for retail goods goes unmet. We need more investment in these areas of high unemployment. Even in areas of high unemployment, most people are working. And a lot of people are working hard and being good citizens, and paying their taxes, and obeying the law against odds that some of us could not stand up to. So I think we need to think about that.

We need more businesses to form partnerships with neighborhood schools. Major Owens and I were talking on the way up

here. If you want all of our kids to have a good education, then those of us who believe in the public schools have to be for high standards, for flexibility, for accountability, and for involvement by people that can help to save these kids. And you need to be involved in it.

We need businesses committed to make sure welfare reform succeeds. We've reduced welfare rolls by 3.8 million, but the easy work has been done. The people that are left on the welfare rolls are people, by and large, who came from very difficult backgrounds; many of them came from abusive home backgrounds; many of them don't have a lot of education. We have training funds; we have child care funds. The mechanisms are in place, but somebody's got to believe in them and give them a chance.

We need you to help us in all these ways, we have to bring the world of the gleaming office tower and the dark shadow together because the people who live in both places are all Americans and because we need each other. We need each other. We've got to develop the skills and potential of our people. We have to dramatically increase capital investment. We have to continue to build public-private partnerships. We have to open the doors of the executive suites, the sales floors, and the factories to talented people of all backgrounds. If we want our best people sitting in the boardrooms, our savviest clerks minding the stores, our hardest workers on the assembly lines, we've got to somehow have the talents of all of our people.

And we know from study after study after study that there are smart people, there are people who can organize, there are people who can lead, there are people who can innovate, there are people who can create in areas in America where there is no economic activity. Very often they wind up showing their leadership in less constructive ways. But they need to have an alternative. You can lead in creating that alternative.

We're going to do everything we can to put more on the table, to be a better partner, to give you more options, to support the city, to support the State, to support the private sector, to support these community groups. But you know as well as I do, just as no government can follow irresponsible policies and

stand up against the winds of the global marketplace, no government alone can bring opportunity to the people and the places that have been left behind. We'll do our part, but you have to do yours.

I thank Reverend Jackson for his insight, that he has said for years and years and years you are missing a market here. This is America's opportunity to close the opportunity gap. Let's seize it.

Thank you, and God bless you.

NOTE: The President spoke at 3 p.m. in the Windows on the World restaurant at the World Trade Center. In his remarks, he referred to civil rights leader Jesse Jackson and his daughter Santita; Richard Grasso, chairman and chief executive officer, New York Stock Exchange; Tom Jones, vice chair, The Travelers Group, Inc.; U.N. Ambassador Bill Richardson; New York State Assemblyman Gregory Meeks; Lt. Gov. Betsy McCaughey Ross of New York; H. Carl McCall, State comptroller; Sheldon Silver, State assembly speaker; Mark Green, New York City public advocate; Peter F. Vallone, New York City council speaker; and Clarence Avant, chairman, Motown Records. The President also referred to the League of United Latin American Citizens (LULAC).

Remarks on Community Policing in Jamaica, New York

January 15, 1998

Thank you very much. Mr. Mayor, Commissioner, Congressman Nadler, Congresswoman Maloney, thank you for being here. And I want to thank our Associate Attorney General, Ray Fisher, for coming up with me today.

Let me say that, first, I want to congratulate all the men and women in the police force in New York City, the ones who are standing behind me, the ones who are out there in the audience, and the ones who are out there on the beat. There has been an amazing turnaround in America's fight against crime in the last few years. It has basically been brought about with a new philosophy rooted in community police officers, better prevention, smarter and tougher punishment.

The Mayor and I have shared that philosophy. He and many others in both parties worked hard for the passage of the crime bill